

LOOKING TO EXPAND HIGH QUALITY GOLD TARGETS

Investment Highlights

- Latitude Consolidated Limited (LCD) owns the contiguous Mt Ida South JV (80%) and Quinns Projects within the Eastern Goldfields of Western Australia. The Company recently completed a successful maiden drill program, which returned some excellent gold results within the shallow oxide zone at Tims Find and at the Quinn Hills deposits. Following a recent capital raising, the Company is well placed to conduct a larger drill program targeting the expansion of the existing resource base of 1.24Mt at 2.5g/t Au for 97,300oz. In addition, there are numerous historical workings with multiple shallow walk-up drill targets beneath and adjoining the current resource base. Drilling is currently underway with results due in April. We are initiating coverage with a Speculative Buy rating.**
- Significant Number of High Quality Gold Targets:** The Projects contain 35km of strike along the Ballard fault and 15km of strike along the Mt Ida fault. There are numerous shallow small gold deposits and occurrences that are located within 2km of the Ballard fault in the Mt Ida District. Over the past 9 months, the Company's tenure has increased from 98km² to 312km² following a recent Joint Venture in late 2016. We see further consolidation in the region as likely.
- Maiden Drill Program Successful:** In late 2016, a reverse circulation (RC) drill program was completed. It comprised of 26 holes for 2,524m targeting the Matisse, Quinn Hills and Tims Find prospects. At Tims Find, the Company has confirmed a shallow oxide zone which is over a strike length of over 800m with the mineralisation remaining open to the north and south. At Quinn Hills drilling confirmed the high grade nature of the existing Indicated Mineral Resource, with a best intersection of 6m at 9.53g/t Au from 46m (including 2m at 26g/t Au, comprising 1m at 37.3g/t Au and 1m at 14.7g/t Au) returned from the drilling. In addition, results from the two RC holes drilled to test an old RAB anomaly at Quinn Hills South, which is situated approximately 1.5km south of Quinn Hills, were also particularly encouraging as they demonstrate that the system has significant extensional potential. Best results from this area included 5m at 1.29g/t Au (including 1m at 3.45g/t Au).
- 5,000m Drill Program Underway:** LCD has commenced drilling targeting strike extensions and repetitions of known mineralisation on several prospects within the Mt Ida and Quinn Hills project areas. Tims Find (current resource of 30,900oz at 2.6g/t Au) is a priority target for the Company with the current mineralisation defined over 1km to a depth of 50m. The mineralisation remains open in all directions with recent drilling identifying a high grade zone at the south extremity. At Tims Find, drilling will comprise 35 to 40 holes for a total of 2,500m-3,000m, having been designed to target the newly discovered high-grade strike extensions (for a further 450m). A further 2,000m is planned within the broader Mt Ida project area.
- Solid Team:** LCD has a solid exploration team headed up by Chief Executive Officer Michael Edwards, who is a geologist and economist with over 20 years' experience in Senior Management, working with companies such as Gold Mines of Australia, Eagle Mining and International Mineral Resources. Highly experienced geologist Alan Downie is exploration manager who has extensive experience in the Australian mining industry, mainly working for junior and emerging resource companies. He has acted as a Director and an Exploration Manager with a number of ASX listed companies including Normandy Mining Limited, WMC Resources Limited, Wild Acre Limited, and most recently, Windward Resources Limited.
- Catalysts:** 1) April: Drill Results

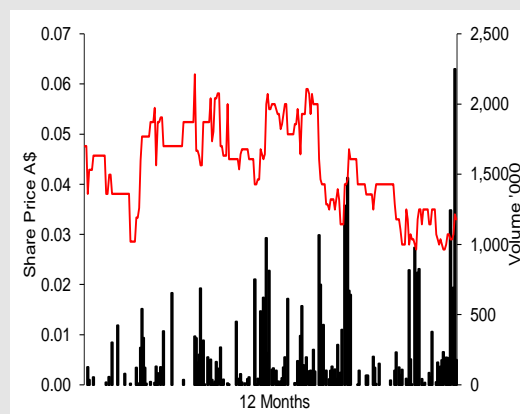
24 March 2017

12mth Rating	SPECULATIVE BUY	
Price	A\$	0.031
Target Price	A\$	na
12mth Total Return	%	na
RIC: LCD.AX BBG: LCD AU		
Shares o/s	m	131.2
Free Float	%	93
Market Cap.	A\$m	4.0
Cash	A\$m	1.2
Net Debt/Equity	%	na
3mth Av. D. T'over	A\$	5,622
52wk High/Low	A\$	0.062/0.029
2yr adj. beta		
Valuation:		
Methodology		na
Value per share	A\$	na

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Disclosure: Patersons Securities acted as Lead Manager and Underwriter for an Entitlement Issue and Placement that raised \$1.2m at \$0.027/sh in March 2017. It received a fee for this service.

12 Month Share Price Performance



Performance %	1mth	3mth	12mth
Absolute	-6	-18	-31
Rel. S&P/ASX 300	4	-19	-50

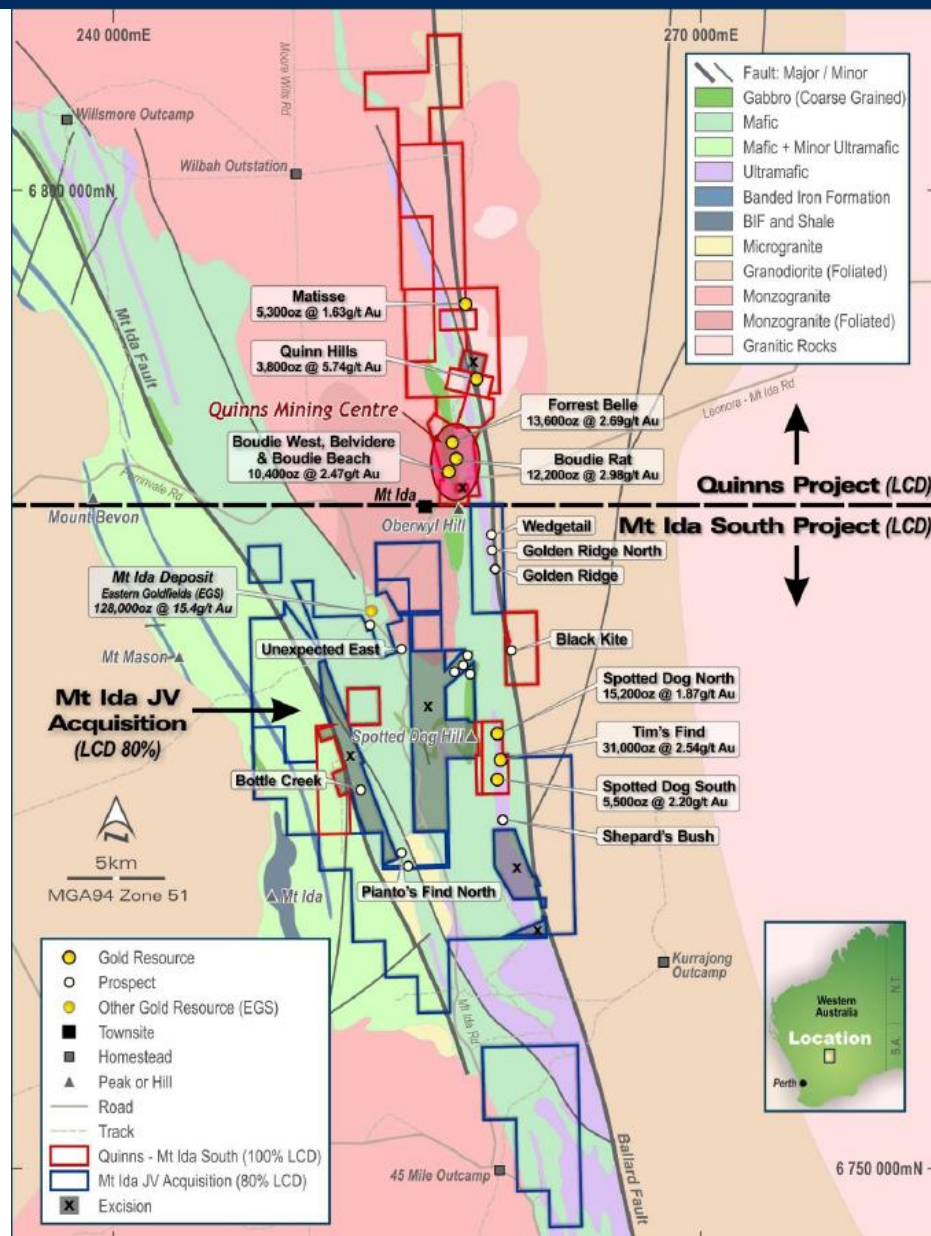
INVESTMENT SUMMARY

We are initiating coverage of Latitude Consolidated Limited (LCD) with a Speculative Buy rating. The Company owns the contiguous Mt Ida South JV (80%) and Quinns Projects within the Eastern Goldfields of Western Australia (Figure 1). The Company recently completed a successful maiden drill program which returned some excellent gold results within the shallow oxide zone at Tims Find and at the Quinn Hills deposits. At Tims Find, the Company has confirmed a shallow oxide zone which has a strike length of over 800m, with the mineralisation remaining open to the north and south. At Quinn Hills, drilling confirmed the high grade nature of the existing Indicated Mineral Resource, with a best intersection of 6m at 9.53g/t Au from 46m (including 2m at 26g/t Au, comprising 1m at 37.3g/t Au and 1m at 14.7g/t Au) returned from the drilling.

ASSETS

The projects cover a large area of the highly prospective and under explored, Mt Ida greenstone belt, which is also host to Mt Ida's underground resource of 320kt at 13.8g/t Au for 140koz Au. The significant land package and multiple prospects with known mineralisation provide an exciting opportunity for immediate resource consolidation and expansion (Figure 1).

Figure 1: Mt Ida South and Quinns Tenement Package and Geology



Source: Latitude Consolidated Limited

BACKGROUND

In July 2016, LCD acquired the Quinns and Mt Ida South Gold projects. The Company has expanded its area of influence in the Mt Ida region by over 480% to 312km². The Company is in discussions with other potential vendors in the Mt Ida district with the aim of further consolidation in the region. There are numerous historical workings with multiple shallow walk-up drill targets beneath and adjoining the current resource base. The resources are spread over 11 current prospects in the Quinns and Mt Ida South Project areas (Figure 2). All prospects have high grade gold results from historical drilling: At Quinns there are the following prospects: Forrest Belle open pit, Boudie Rat, Quinns Hills, Matisse, Boudie West, Belvidere, Boudies Nest, and Boudie Beach. At Mt Ida South has the following prospects: Tims Find/Spotted Dog and Black Kite.

In 1987, Sabminco NL previously completed over 40 RC drill holes (1,950m) into the Tims Find prospect along 40m spaced sections with mineralisation being delineated over a strike length of 900m to a depth of 60m. Further drilling was completed at Tims Find by La Mancha Resources Australia Pty Ltd in October 2007 completing two diamond drill holes 230m apart to a depth of 201m. This drilling demonstrated that the mineralisation continues at depth where drilled and intersected 2m at 4.27g/t Au from 105 to 107m (IDDD006). Hole IDDD007 intersected 1m at 1.2g/t from 102-103m.

2016 Drill Program

In October 2016, LCD drilled 26 holes for 2,524m, which was designed to test potential strike and depth extensions of existing Mineral Resources at the Quinns and Mt Ida South gold projects. Drilling was focused across a number of prospects and included the Matisse, Quinn Hills and Tims Find prospects. Regional drill testing was also completed at the Quinn Hills South prospect. Significant intersections were returned at all prospects, which has allowed LCD to narrow its focus on several key areas.

Figure 2: Existing Resources

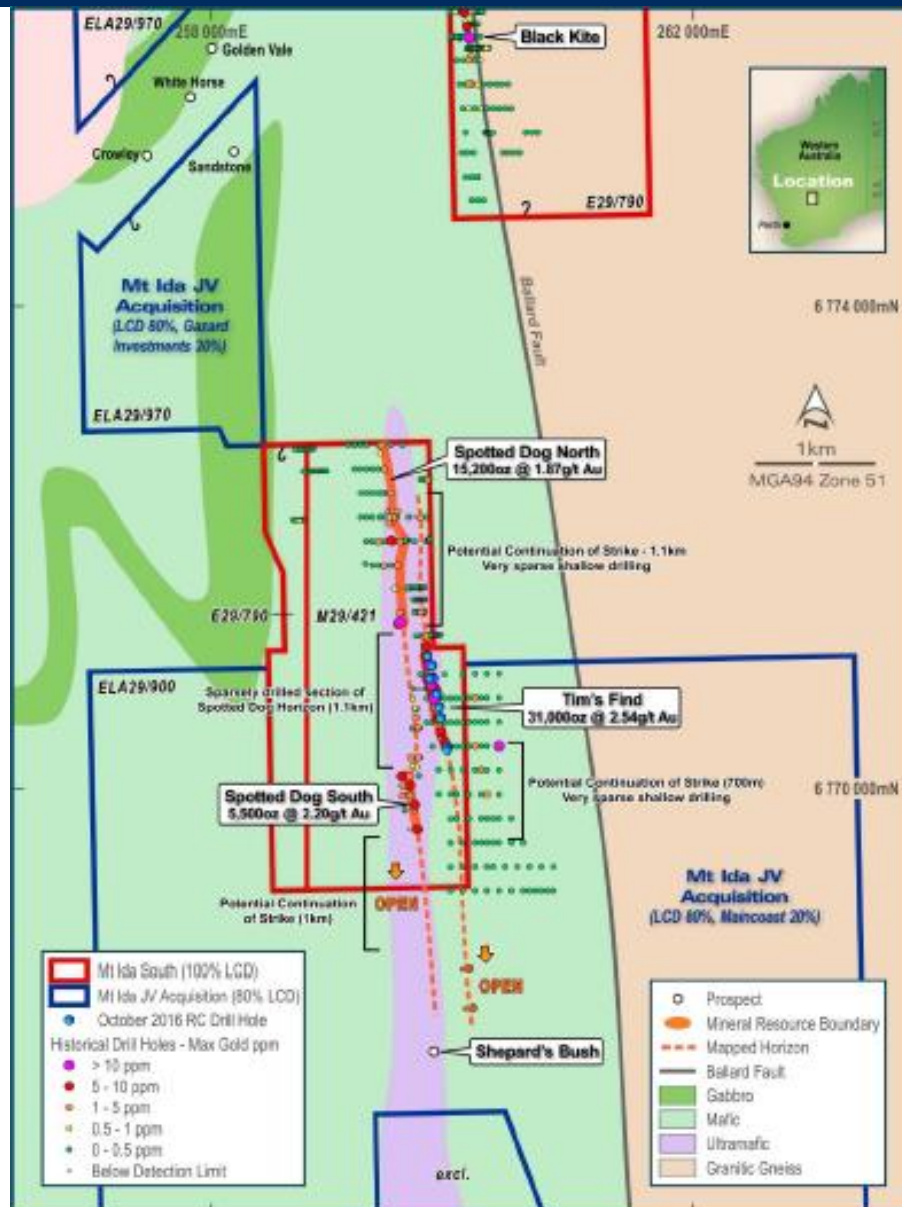
Deposit	Measured			Indicated			Inferred			Total		
	Tonnes	Grade (Au g/t)	Ounces	Tonnes	Grade (Au g/t)	Ounces	Tonnes	Grade (Au g/t)	Ounces	Tonnes	Grade (Au g/t)	Ounces
Boudie Rat			-	130,000	3.0	12,200			-	130,000	3.0	12,200
Forrest Belle	130,000	2.5	10,300			-	30,000	3.6	3,500	160,000	2.7	13,600
Boudie West			-			-	100,000	2.1	6,700	100,000	2.1	6,500
Belvidere			-	30,000	3.8	3,300			-	30,000	3.8	3,300
Boudie Beach			-	10,000	2.5	600			-	10,000	2.5	600
Quinn Hills			-	20,000	5.7	3,900			-	20,000	5.7	3,900
Matisse East			-			-	40,000	1.8	2,100	40,000	1.8	2,100
Matisse West			-			-	70,000	1.5	3,200	70,000	1.5	3,200
Tims Find			-	360,000	2.6	30,900			-	360,000	2.6	30,900
Spotted Dog North			-			-	250,000	1.9	15,200	250,000	1.9	15,200
Spotted Dog South			-			-	70,000	2.2	5,100	70,000	2.2	5,100
			-			-			-			-
Total	130,000	2.5	10,300	550,000	2.9	50,900	560,000	2.0	36,100	1,240,000	2.5	97,300

Source: Latitude Resources Limited

Mt Ida South Prospects

Mt Ida South is located approximately 16km south of the Quinns Project area and includes the resources at the Tims Find and Spotted Dog prospects, and the Exploration Target at Black Kite (see Figure 3.).The Project area is located approximately 5km south east of Eastern Goldfields Ltd historical Mt Ida mine which has a current underground resource of 259,000t at 15.4 g/t Au for 128koz.

Figure 3: Mt Ida South Prospects



Source: Latitude Resources Limited

The Tims Find/Spotted Dog prospects are located c.15.5km south of the Quinns Mining centre (Boudie Rat and Forrest Belle open pits). Previous exploration drilling has been completed over 1km. Limited RC drilling has been completed on 40m sections. Mineralisation at Tims Find is associated with shearing along the mafic/ultramafic contact. Drilling on most sections is limited to 1 to 3 holes and extends to depths of less than 75m. Mineralised trends as determined by the drilling are open to the north and south. Further drilling is required to evaluate and extend mineralisation.

Tims Find (Priority Target)

At Tims Find, as part of the 2016 drill program, the Company tested a significant zone of shallow oxide mineralisation, which has now been confirmed over a strike length of more than 800m with the mineralisation remaining open to the north and south (Figure 4).

Figure 4: Tims Find Long Section (Priority Target)



Source: Latitude Consolidated Limited

In light of the excellent potential to extend the Indicated Mineral Resource at Tims Find, and with the recent acquisition of the Mt Ida South tenements, this is a high priority for LCD, and further drilling is required to test the strike extensions 1km north and south of the current resource. Drilling at Quinn Hills confirmed the high grade nature of the existing Indicated Mineral Resource, with a best intersection of 6m at 9.53g/t Au from 46m (including 2m at 26g/t Au, comprising 1m at 37.3g/t Au and 1m at 14.7g/t Au) returned from the drilling. The mineralisation at Tims Find prospect is confined to a talc-chlorite schist (ex-ultramafic) within a meta-basalt. This talc chlorite schist is generally silicified with pyrite and biotite alteration.

The Black Kite prospect is located 10km south of the Quinns Mining Centre. Previous exploration at Black Kite has involved geochemical RAB drilling to 2m on 100m centres with limited RC drilling completed on 200m centres. Drilling outlined gold mineralisation over a strike length of 1.2km and again has been only partially drilled to a maximum depth of 100m. Mineralisation appears to be open to the north and south. Gold mineralisation is associated with surface laterites and the deeper mineralisation is associated with talc-chlorite schists with further mineralisation associated with the adjacent eastern amphibolite unit. Data review is continuing on the Black Kite prospect.

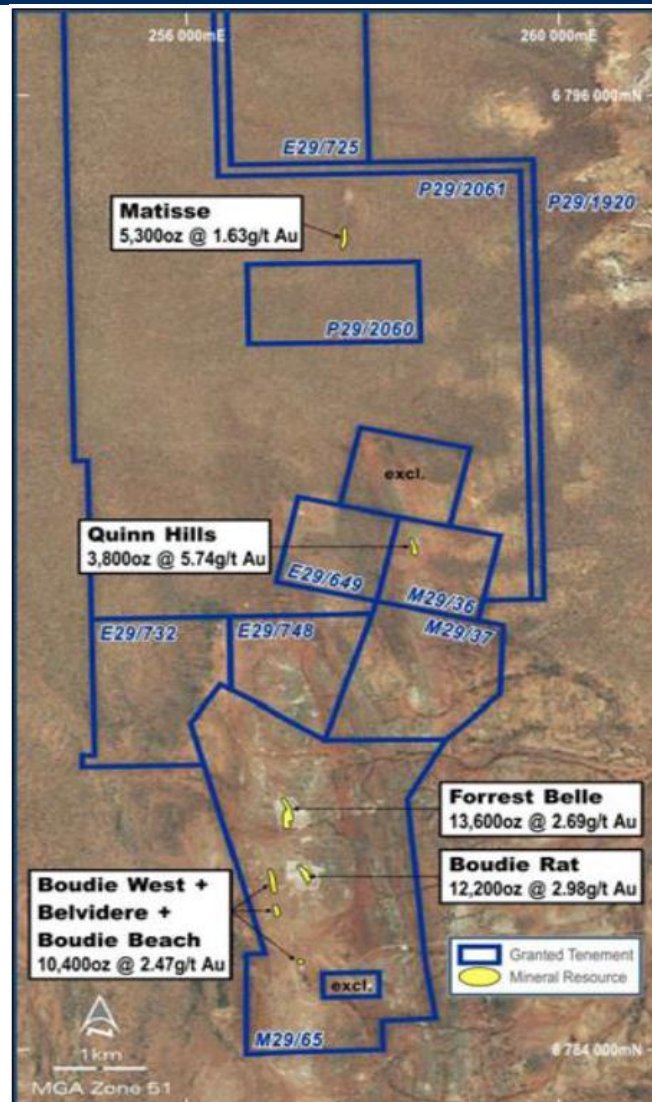
QUINNS PROJECT

The 2016 drill Results from the two RC holes drilled to test an old RAB anomaly at Quinn Hills South, which is situated approximately 1.5km south of Quinn Hills, were also particularly encouraging as they demonstrate that the system has significant extensional potential. Best results from this area included 5m at 1.29g/t Au (including 1m at 3.45g/t Au).

Drilling at Matisse has confirmed the narrow, moderate grade of the existing Inferred Mineral Resource. Mineralisation was confirmed both 250m north of the existing Inferred Mineral Resource (1m at 4.06g/t from 78m) and 100m south of the existing Inferred Mineral Resource (1m at 7.06g/t Au from 59m and 1m at 2.78g/t Au from 49m).

This extends the known strike length at Matisse to over 750m and, while this is significant, Matisse remains a lower priority prospect moving forward when ranked against some of the other opportunities in the field.

Figure 5: Quinn Hills Prospects



Source: Latitude Consolidated Limited

Forrest Belle Open pit

Historical drilling at the abandoned Forrest Belle open pit, which was mined to a maximum depth of 26m in 1997, indicates that there is excellent potential for the known mineralisation to be extended both along strike and at depth. Historical production has included U/G mining 3,940t @ 27.3 g/t and Open pit 28,234t @ 3.4g/t.

Boudie Rat

Historical mining completed in 1997 was only to a depth of 25m. Drilling at the northern end of the Boudie Rat pit shows that strong mineralisation exists up to 25m below the pit floor with multiple grades exceeding 3.0g/t. A significant intersection of 3m @ 2.84g/t exists approximately 50m below the current pit floor. Drilling to the south of the Boudie Rat pit is currently limited and broadly spaced.

Quinn Hills

There are multiple significant gold values below the current pit which gives the potential for either a cut back on the existing pit, or underground mining. (Historical production included U/G mining 3,450 at 6.5 g/t, Open pit 42,681t at 4.16 g/t).

The Quinn Hills mine workings consist of at least 2 sub-parallel, north west oriented lines of quartz lodes lying c.200m apart. The eastern line of historical workings have a 220m strike length and consist of several shafts and shallow pits with historical production from U/G mining reported as 2,200t at 6.8 g/t. Drilling in close proximity to the historic mine indicates that there is excellent potential to extend the mineralisation with further drilling both along strike and at depth.

Matisse

The Matisse prospect is located 4km north and along strike from the Quinn Hills Mine and was discovered by Sipa using RAB drilling in 2004. The Prospect is under cover with c.400m of strike and appears to be open both along strike and at depth.

Limited RC drilling has been completed over the prospect (19 holes for 1731m). As stated previously, this is a lower priority for the Company moving forward.

Boudie West, Belvidere, Boudies Nest, and Boudie Beach

These prospects are located to the west and south west of the Boudie Rat pit:

Boudies Nest prospect is located 300m south and 100m west of the Boudie Rat pit. The prospect has been drilled on 4 sections over 100m of strike.

- **Belvidere** is located 100m west of Boudies Nest and has been drilled over a 250m strike length over 4 drill sections. Further potential exists both at depth and along strike, particularly to the north.
- **Boudie West prospect** is located 300m west of the Boudie Rat workings and open pit with drilling targeting a significant soil anomaly.
- **Boudie Beach** is located c.600m south of Boudies Nest. It is possible that this mineralisation links up with the mineralisation from Boudies Nest but further drilling is required to confirm this. Anomalous results have been intersected in this area on broad (~100m) sections with little or no overlap between drill holes.

CORPORATE

LCD has 131.2m shares on issue following a recent raising of \$1.2m which was conducted through an underwritten Share Purchase Plan ("SPP") and top-up Share Placement at \$0.027/sh. The Company had \$0.5m in cash at the end of December. LCD has 8.9m performance rights on issued which are exercisable on various milestones. There are a further 11.7m options which are exercisable at between \$0.08/sh and \$0.25/sh at various exercise dates (2018-2020).

RISKS

Exploration Risk: LCD is primarily exploration focused. Exploration is inherently risky and there is no guarantee that an economic deposit will be delineated. Further drilling is needed to follow-up targets which may or may not result in further discoveries.

Financing Risk: LCD may from time to time need to access the equity/debt markets to finance its exploration and development activities. There can be no assurances that this capital will be available at a reasonable cost; therefore, substantial future dilution could result.

Commodity Risk: LCD is exposed to predominately gold through its large tenement holding. There can be no assurances that prices will remain at current levels.

DIRECTORS AND MANAGEMENT

Mr Timothy J Moore - Bachelor of Business UTS Sydney

Non-Executive Chairman – (Appointed 23 April 2004)

Mr Moore has extensive offshore experience investing in a number of industries including media, technology and resources. Mr Moore also holds several other Board positions with private companies.

Mr Michael Edwards - Bachelor of Business (Economics and Finance)

Chief Executive Officer

Mr Edwards is a geologist and economist with over 20 years' experience in Senior Management in both the private and public sector. He has a Bachelor of Business (Economics and Finance) from Curtin University of Technology and a Bachelor of Science (Geology) from The University of Western Australia. He spent three years with Barclays Australia in their Corporate Finance department and then 8 years as an Exploration and Mine Geologist with companies such as Gold Mines of Australia, Eagle Mining and International Mineral Resources. Since 2010 Mr Edwards has been consulting to numerous companies conducting project evaluations and deal structuring across a wide range of commodities and countries.

Mr Roger Steinepreis - Bachelor of Jurisprudence and Bachelor of Laws: University of Western Australia

Non-Executive Director – (Appointed 6 November 2012)

Mr Steinepreis graduated from the University of Western Australia where he completed his law degree. Mr Steinepreis was admitted as a barrister and solicitor of the Supreme Court of Western Australia in 1987 and has been practising as a lawyer for in excess of 25 years. Mr Steinepreis is the legal adviser to a number of public companies on a wide range of corporate related matters. His areas of practice focus on company restructures, initial public offerings and takeovers.

Mr Morgan Barron – Bachelor of Commerce University of Western Australia, C.A. S.A. Fin

Non-Executive Director – (Appointed 6 November 2012)

Mr Barron is a Chartered Accountant and has over 15 years in corporate advisory. Mr Barron has advised and guided many companies undertaking fundraising activities and corporate matters. Mr Barron is a member of the Institute of Company Directors and is a Director and shareholder of Ventnor Capital Pty Ltd and Ventnor Securities Pty Ltd which specialises in the provision of corporate advisory services to a variety of junior ASX companies.

Alan Downie - Bachelor of Applied Science in Mining Geology.

Exploration Manager – (Appointed September 2016)

Mr Downie has extensive experience in the Australian mining industry, mainly working for junior and emerging resource companies. He has acted as a Director and an Exploration Manager with a number of ASX- listed companies including Normandy Mining Limited, WMC Resources Limited, Wild Acre Limited, and most recently, Windward Resources Limited. During his career, he has been involved in the discovery, drill-out and definition of extensions to several deposits, resulting in large increases in resource bases, and in the completion of Bankable Feasibility Studies.

Mr Brett Tucker

Joint Company Secretary – (Appointed 4 April 2013)

Mr Tucker has a strong accounting background gained from experience in an international accounting practice, working in both audit and taxation. Mr Tucker has exposure to a wide range of industries with a focus on junior resource companies.

Mr Joel Ives***Joint Company Secretary – (Appointed 30 June 2016)***

Mr Ives is a Chartered Accountant with a strong background in audit and compliance and has extensive mining and resources experience from working with a number of junior to medium sized companies.



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